



# Iowa Department of Human Services

Terry E. Branstad  
Governor

Kim Reynolds  
Lt. Governor

Charles M. Palmer  
Director

## INFORMATIONAL LETTER NO.1438

**DATE:** October 22, 2014

**TO:** All Iowa Medicaid Providers (Excluding Waiver and Individual Consumer Directed Attendant Care)

**FROM:** Iowa Department of Human Services, Iowa Medicaid Enterprise (IME)

**RE:** Specific Modifier for Distinct Procedural Services

**EFFECTIVE:** January 1, 2015

The Medicare National Correct Coding Initiative (NCCI) has Procedure to Procedure (PTP) edits to prevent unbundling of services and the consequent overpayment to physicians and outpatient facilities. The underlying principle is the second procedure code defines a subset of work of the first code. Reporting the codes separately is inappropriate as it would trigger a separate payment and constitute double billing.

Currently, the 59 modifier is appended to procedure code(s) to indicate the code(s) represents a service that is separate and distinct from another service which would usually be considered to be bundled. The Centers for Medicare and Medicaid Services (CMS) has established four new Healthcare Common Procedure Coding (HCPCS) modifiers that are a subset of the 59 modifier to provide more precise coding options. Below are the four new HCPCS modifiers:

- XE Separate Encounter – a service that is distinct because it occurred during a separate encounter.
- XS Separate Structure – a service that is distinct because it was performed on a separate organ/structure.
- XP Separate Practitioner – a service that is distinct because it was performed by a different practitioner.
- XU Unusual non-overlapping service – the use of a service that is distinct because it does not overlap usual components of the main service.

CMS will continue to recognize the 59 modifier; however, the 59 modifier should not be used when a more descriptive modifier is available.

If you have any questions, please contact the IME Provider Services Unit at 1-800-338-7909, or locally in Des Moines at 515-256-4609 or by email at [imeproviderservices@dhs.state.ia.us](mailto:imeproviderservices@dhs.state.ia.us).